



U.S. Department of Housing and Urban Development Public and Indian Housing

Special Attention of:

Directors of HUD Regional and Field
Offices of Public Housing;
Agencies that Administer the
Housing Choice Voucher Program

Notice PIH 2020-09

Issued: May 12, 2020

Expires: Effective until amended,
superseded, or rescinded

Cross References: PIH Notice 2020-01,
PIH Notice 2020-04, PIH Notice 2020-
05

Subject: CARES Act Mainstream Funding for Public Housing Authorities (PHAs)**Awarded Funding Allocations in the 2017 and 2019 Competitions**

- 1. Purpose:** Pursuant to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (Public Law 116-136), this notice establishes the process for the allocation of unobligated Mainstream Program funding for incremental tenant-based rental assistance for PHAs who were previously awarded funding allocations in the 2017 and 2019 Mainstream Voucher Program competitions. This additional funding will enable PHAs to prevent, prepare for, and respond to coronavirus.
- 2. Background:** The CARES Act provides, in part, that the U.S. Department of Housing and Urban Development (HUD) may award any such remaining unobligated balances of prior Mainstream appropriations to prevent, prepare for, and respond to coronavirus, without competition, including for extraordinary administrative fees. The CARES Act further provides that no less than 25 percent of such amounts shall be allocated proportionally to PHAs who received awards in the 2017 and 2019 competitions within 60 days.

This notice describes the process by which HUD is awarding funding to those PHAs that received awards in 2017 and 2019 competitions. HUD will issue a separate notice describing the process for awarding the remaining unobligated balances, including any extraordinary administrative fees.

- 3. Eligible PHAs:** PHAs that received a Mainstream award through the Fiscal Year (FY) 2017 Mainstream Voucher Program Notice of Funding Availability (NOFA) (FR-6100-N-43) published on April 18, 2018 and/or the FY 2019 Mainstream Voucher Program NOFA

(FR-6300-N-43) published on July 2, 2019 are eligible for this additional allocation of funds.

- 4. Funding Allocation Amounts and Notifications:** Eligible PHAs (that do not decline an allocation, as described below) will receive an increase in Mainstream voucher authorized units and additional budget authority based on a 30% increase in the number of vouchers received between the two NOFAs. If a 30% increase in vouchers results in a fraction of a voucher being allocated, HUD will round up to the next whole number. For example, if the PHA was awarded 22 vouchers through FR-6100-N-43 and 30 vouchers through FR-6300-N-43 for a total of 52 vouchers, the PHA would receive 16 new vouchers. The per unit cost used to calculate the awarded budget authority will be determined based on the most recent data available in HUD systems for each PHA.

As with prior Mainstream voucher awards, administrative funds will be provided in accordance with applicable appropriations provisions. *PIH Notice 2020-04: Implementation of the Federal Fiscal Year (FFY) 2020 Funding Provisions for the Housing Choice Voucher Program*, implemented the HCV program funding provisions of the Further Consolidated Appropriations Act, 2020 (Public Law 116-94), enacted on December 20, 2019. Section 7 of the notice outlines the funding for administrative costs.

HUD will send letters via email to PHAs informing them of their allocation in May 2020. PHAs may choose to decline the allocation. Instructions for declining the allocation will be included in the letter.

The housing assistance payment (HAP) funding awarded under this notice may be used in response to coronavirus only for incremental assistance for Mainstream voucher eligible families. Mainstream Vouchers are vouchers that serve households that include a non-elderly person(s) with disabilities. More information is available in *PIH Notice 2020-01: Revised Policies and Procedures for the Mainstream Voucher Program*.

- 5. Additional Future Guidance.** The CARES Act provides that remaining unobligated Mainstream balances may be awarded to prevent, prepare for, and respond to coronavirus, without competition, including extraordinary administrative fees. The amounts awarded to PHAs under this notice are HAP funds and do not include any extraordinary administrative fees. Information on extraordinary administrative fees specifically for the Mainstream Voucher Program under the CARES Act will be forthcoming in separate guidance.

In addition to funding that will be awarded out of the remaining unobligated Mainstream balances, Mainstream Voucher Programs are also eligible for additional funding under the \$400 million in supplemental renewal funding appropriated under the CARES Act. HUD

will issue a separate notice describing the allocation methodology and the requirements governing the CARES Act HAP supplemental funding.

- 6. Program Requirements:** Mainstream vouchers are administered in accordance with 24 CFR 982, or part 983 if vouchers are project-based, *PIH Notice 2020-01*, the FY 2017 Mainstream Voucher Program NOFA, and the FY 2019 Mainstream Voucher Program NOFA. Moving to Work (MTW) agencies may administer these vouchers, but the funds received for Mainstream vouchers are not fungible and can only be spent on Mainstream vouchers. Moving to Work (MTW) agencies may administer these vouchers in accordance with their MTW agreements, unless an MTW provision(s) is inconsistent with appropriations act, Mainstream NOFA requirements, or this notice. The appropriations act, the NOFA, and this notice govern in cases where there is a conflict between an MTW agreement and the appropriations act, the Mainstream NOFA, or this notice.

Waivers provided in *PIH Notice 2020-05* may be applied to Mainstream vouchers in accordance with the terms and conditions of that notice.

PHAs must administer their Mainstream vouchers within their program budgetary and unit constraints. PHAs must manage their Mainstream leasing and utilization in accordance with what their Mainstream funding (including Mainstream HAP reserves) supports and they must not lease more Mainstream units than the number of Mainstream baseline units under their Consolidated Annual Contributions Contract (CACC).¹

- 7. Recapture and Reallocation:** HUD may recapture unused or underutilized funding if the PHA does not utilize the units or budget authority awarded through this notice within 18 months of the effective date of the award.
- 8. Information Contact:** Inquiries about this notice should be directed to: MainstreamVouchers@hud.gov.
- 9. Paperwork Reduction Act:** The information collection requirements contained in this notice have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C 3520). In accordance with the PRA, HUD may not

¹ Further Consolidated Appropriations Act, 2020 (Public Law 116-94)

conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number. The following active information collections contained in this notice have been approved under the PRA-OMB Control Numbers 2577-0169 and 2577-0083.

/s/

R. Hunter Kurtz, Assistant Secretary
for Public and Indian Housing